Golden Arrow Project

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Access across proposed rail corridor in Northern Nye County, Nevada

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This is to request that unrestricted access be provided across the proposed Nevada Rail Corridor between the Golden Arrow mining project, lying to the east of the proposed corridor, and the principle state and county roads lying to the west of the proposed corridor. Normal grade-level road/rail crossings where the proposed rail line intersects the two main unpaved roads in the area would provide adequate and inexpensive permanent access not only for the Golden Arrow project but also for all other ranching and mining activities in that part of northern Nye County.

The Golden Arrow project

The Golden Arrow mining project is located approximately 39 miles east of Tonopah, Nevada within sections 15-17, 20-22, 27-29, and 33-34 of Township 2 North, Range 48 East; central geographic coordinates of 37° 59' north latitude by 116° 37' west longitude.

The property has been under active but intermittent exploration by several mining companies since 1981. In 2003, the project began a planned development phase of work presently scheduled toward initiation of production near the end of 2007. In full production, the mine is expected to produce 7,000 to 9,000 tons of ore per day, all or nearly all of which will be processed on-site.

The attached maps show the location of the Golden Arrow project, the existing roads, and the land sections proposed to be withdrawn for the rail corridor. If the proposed rail line is constructed, the existing roads may have to be moved to accommodate the rail line. However, it is important that unrestricted passage be maintained between the Golden Arrow mine site to the east of the proposed rail corridor and the county and state roads on the west side of the proposed rail corridor both during and subsequent to the construction of the rail line.

Crossing Traffic

The normal traffic using the road/rail crossings would be primarily passenger vehicles and service trucks weighing up to 8 tons. When the mine is active, some 60 to 90 vehicles per day may cross the proposed rail corridor. During construction periods, vehicles with trailers hauling construction aggregate may also use the crossings. These trailers when fully loaded weigh between 26 and 28 tons.

Individual pieces of equipment weighing up to 80 tons apiece may, on occasion, have to be transported into the mine. These loads would have to be brought to the site over federal and state highways and would, therefore, have to meet the load and footprint requirements of the respective Departments of Transportation, with normal permitted variance.

Continuing Interest

As the matter of continual unrestricted access across the proposed rail corridor between the Golden Arrow mine site and the county and state roads is critical to the development project, and the later operation of the mine, we would appreciate being kept regularly informed about the planning of the proposed rail corridor. We would also like to maintain direct input concerning road crossings of the proposed rail line and matters related thereto.

Gerald W. Baughman, President Nevada Eagle Resources LLC

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